

Theresa L. O'Brien
Vice President – Regulatory Affairs



234 Washington Street
Providence, RI 02903

Phone 401 525-3060
Fax 401 525-3064
theresa.obrien@verizon.com

September 26, 2002

Ms. Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, Rhode Island 02888

Dear Ms. Massaro:

We are filing, herewith, for effect October 26, 2002, tariff material consisting of:

RI PUC No. 15

Part/Section	Revision of Page(s)	Original of Page(s)
C/10	18	18.1
M/3	31	N/A

This filing introduces two optional pricing packages for the transmission of Local Circuit Switched Data (CSD) over ISDN Primary Service facilities. ISDN Primary Service has the capability to transmit both Voice and Data over the same facility at speeds up to 64Kbps, per "B" Channel. With the enhancements made to customer premises equipment (CPE) over the past few years, "B" Channels can be combined (bonded) to increase the speeds that data is transmitted over the PRI facility.

These proposed CSD pricing options are designed to encourage customers to take advantage of the PRI flexibility and stimulate Circuit Switched Data usage over PRI facilities, thus increasing the value and versatility of PRI service.

The estimated annual revenue effect of this filing is \$17,376 in Year One, \$20,799 in Year Two and \$24,243 in Year Three.

If you have any questions regarding this filing, please contact Frances O'Neill-Cunha of my staff at 401 525-3560.

Enclosed are an original and nine copies of the tariff material. Please return a copy of this letter and the tariff pages marked "Duplicate" with your stamp of receipt.

Respectfully submitted,

Theresa L. O'Brien

Attachments

ISDN PRIMARY SERVICE

Circuit Switched Data Optional Pricing Packages

VERIZON RHODE ISLAND

TARIFF FILING SUPPORT PACKAGE

ISDN Primary Service
Circuit Switched Data Optional Pricing Packages
Verizon Rhode Island
Tariff Filing Support Package

Index

	SUBJECT	Page
Section 1	Service Description	3
Section 2	Rationale for Filing	3
Section 3	Rate Development	4
Section 4	Revenue Estimates	4

ISDN PRIMARY SERVICE

Circuit Switched Data Optional Pricing Packages

SECTION 1: SERVICE DESCRIPTION

This filing introduces two optional pricing packages for the transmission of Local Circuit Switched Data (CSD) over ISDN Primary Service facilities. The pricing packages are as follows:

Option 1: The customer purchases CSD on a per minute-of-use basis. Under this option, there is no monthly usage allowance.

Option 2: The customer purchases 250 hours of CSD at a discounted rate. After the initial CSD usage allowance, the customer will also pay a lower per minute-of-use rate.

There is no non-recurring charge associated with either option.

SECTION 2: RATIONALE FOR FILING

ISDN Primary Service has the capability to transmit both Voice and Data over the same facility at speeds up to 64Kbps, per “B” Channel. With the enhancements made to customer premises equipment (CPE) over the past few years, “B” Channels can be combined (bonded) to increase the speeds that data is transmitted over the PRI facility.

These proposed CSD pricing options are designed to encourage customers to take advantage of the PRI flexibility and stimulate Circuit Switched Data usage over PRI facilities, thus increasing the value and versatility of PRI service.

SECTION 3: RATE DEVELOPMENT

The following table displays the rates for the Circuit Switched Data Optional Pricing Packages.

(A)	(B)	(C)
Service Item	Non Recurring Rate	Recurring Rate
CSD Option 1	\$0.00	\$0.02 per minute
CSD Option 2	\$0.00	\$250.00
CSD Option 2 – Rate per minute > than 250 hours, per account.	\$0.00	\$0.008 per minute

SECTION 4: CIRCUIT SWITCHED DATA REVENUE ESTIMATES

The table below details projected Unit / Minute of Use Sales and Revenue for the ISDN PRI Circuit Switched Data Optional Packages for the first 5-year view.

Verizon estimates that Circuit Switched Data will result in approximately \$118K of new revenues in Rhode Island over the initial 5-year view.

Rhode Island Circuit Switch Data						
5 Year CSD Revenue Analysis						
	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year Totals
PRI Units	825	972	1126	1283	1436	
CSD PKG Units	5	6	7	8	9	
CSD MOU w/o Pkg	118,800	139,968	162,144	184,752	206,784	
CSD Package Revenue	\$15,000	\$18,000	\$21,000	\$24,000	\$27,000	
CSD MOU Revenue	\$2,376	\$2,799	\$3,243	\$3,695	\$4,136	
Total CSD Revenue	\$17,376	\$20,799	\$24,243	\$27,695	\$31,136	\$121,249